June 30, 2009

Via Electronic Filing

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Dear Madam Secretary:

Notice of Ex Parte Presentation, CC Docket No 02-6

VBrick Systems, Inc. would like to thank Vick Robinson, James Bachtell and Cara Votch with the Wireline Competition Bureau for participating in a conference call with VBrick on June 23, 2009 to discuss the eligibility of "video on-demand" servers for the 2010 USAC Eligible Services List (ESL). We appreciate the opportunity to clarify the definition and functions of a "video on-demand" server as it pertains to E-Rate and K-12 schools and libraries.

Currently, the FCC "video on-demand" server definition states "a video on-demand server stores video which is available for retrieval at any given time." (Schools and Libraries' Eligible Services List for Funding Year 2010, P. 46)

VBrick Systems, Inc. would like to point out that the language should be more specific. This would avoid eligible and ineligible components of the "video on-demand" server being packaged together as one unit and deemed completely ineligible.

A "video on-demand" server has functions beyond just storage, such as:

- Streaming live video content
- Control video content distribution and limit viewing to remain compliant with the TEACH Act
- Lower Internet bandwidth usage and cost
- Institution-wide emergency alerts
- Integral part of distance learning systems
- Eliminate the need for VCRs and DVD players

As evidence of these critical functions we sell "video on-demand" servers without any storage and these products are eligible for funding. We agree with the FCC that any "video on-demand" server with internal storage should be cost allocated (as it has been in previous years).

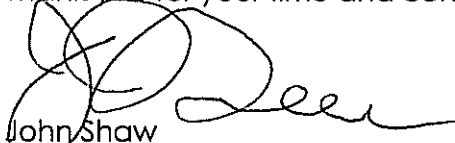VBrick Systems, Inc. proposes the definition language of "video on-demand" server should be:

"A video on-demand server distributes video and audio across a school IP network to classrooms, libraries, and other locations. It contains proprietary software that performs the function of streaming video and audio to an end device such as a PC, Mac, Set Top Box, PDA or cell phone so that it can be displayed on a monitor or television display. It may or may not contain internal storage (ineligible and cost-allocated), external storage (ineligible), or both."

We believe this language will better assist USAC in determining what should be approved and what should be denied. It would also reduce the confusion among manufacturers that may have differing definitions of the term "video on-demand" servers. This new language will assist schools and libraries in determining the eligibility of video distribution devices, by clearly stating that "video on-demand" servers' functionality is eligible, but the "video content storage" is ineligible.

We hope this information and our June 23, 2009 conference call provided you with the necessary information to make a decision on the proposed ESL and eligibility language of the "video on-demand" servers.

Feel free to contact us if you have any questions or need clarification.

Thank you for your time and consideration,

John Shaw
Executive Vice President of Business Operations
VBrick Systems, Inc.